

The foregoing schedule may be revised without the approval of the Holders of the Series 2002-C Warrants upon the terms and subject to the conditions provided in the Sixth Supplemental Indenture.

Scheduled Mandatory Redemption. The Series 2002-C Warrants shall be redeemed at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest thereon to the redemption date, on February 1 (or, in the case of Auction Rate Warrants, if any such February 1 is not an Interest Payment Date, then on the first Interest Payment Date subsequent thereto) in years and principal amounts (after credit as provided below) as follows:

| <u>Year</u> | <u>Amount</u> | <u>Year</u> | <u>Amount</u> |
|-------------|---------------|-------------|---------------|
| 2007 | \$ 2,700,000 | 2024 | \$ 33,250,000 |
| 2008 | 2,800,000 | 2025 | 34,800,000 |
| 2009 | 3,000,000 | 2026 | 36,300,000 |
| 2010 | 3,100,000 | 2027 | 37,900,000 |
| 2011 | 3,200,000 | 2028 | 3,600,000 |
| 2012 | 3,400,000 | 2029 | 6,100,000 |
| 2013 | 3,600,000 | 2030 | 6,400,000 |
| 2014 | 3,700,000 | 2031 | 6,700,000 |
| 2015 | 3,900,000 | 2032 | 4,200,000 |
| 2016 | 4,000,000 | 2033 | 4,300,000 |
| 2017 | 4,200,000 | 2034 | 83,800,000 |
| 2018 | 4,400,000 | 2035 | 90,900,000 |
| 2019 | 4,600,000 | 2036 | 94,600,000 |
| 2020 | 4,700,000 | 2037 | 98,750,000 |
| 2021 | 5,000,000 | 2038 | 103,000,000 |
| 2022 | 33,200,000 | 2039 | 2,950,000 |
| 2023 | 32,100,000 | | |

\$70,350,000 of the Series 2002-C Warrants
will be retired at Maturity

Not less than 60 days prior to each such scheduled mandatory redemption date, the County may specify the particular subseries from which Series 2002-C Warrants are to be called for such redemption and (if more than one subseries is so specified) the respective principal amounts to be called for redemption from each thereof. In any such case, the particular Series 2002-C Warrants (or portions thereof) within a given subseries to be called for redemption shall be selected by the Trustee by lot. If the County fails to make such a specification with respect to any scheduled mandatory redemption date, not less than 45 or more than 60 days prior to each such scheduled mandatory redemption date, the Trustee shall proceed to select for redemption, as provided in Section 5.6 hereof, Series 2002-C Warrants or portions thereof in an aggregate principal amount equal to the

amount required to be redeemed and shall call such Series 2002-C Warrants or portions thereof for redemption on such scheduled mandatory redemption date. In any event the County may, upon direction delivered to the Trustee not less than 60 days prior to such scheduled mandatory redemption date, direct that any or all of the following amounts be credited against the principal amount of Series 2002-C Warrants scheduled for redemption on such date: (i) the principal amount of Series 2002-C Warrants delivered by the County to the Trustee for cancellation and not previously claimed as a credit; and (ii) the principal amount of Series 2002-C Warrants previously redeemed (other than Series 2002-C Warrants redeemed pursuant to this paragraph) and not previously claimed as a credit.

Procedure for Redemption. In the event any of the Series 2002-C Warrants are called for redemption, the Trustee shall give notice of the redemption of such warrants, which notice shall specify the full title, including the subseries, if any, of the Series 2002-C Warrants, the redemption date, the place of redemption and the redemption price payable upon such redemption; that the interest on the Series 2002-C Warrants, or on the principal amount thereof to be redeemed, shall cease to accrue from and after such redemption date; and that on such date there will become due and payable on the Series 2002-C Warrants, the principal amount thereof to be redeemed and the interest accrued on such principal amount to the redemption date, if any, and the premium, if any, thereon. Each notice of redemption mailed to the Holder of a Series 2002-C Warrant to be redeemed shall, if less than the entire principal amount thereof is to be redeemed, also state the principal amount thereof and the distinctive numbers of the Series 2002-C Warrants to be redeemed and that such warrant must be surrendered to the Trustee in exchange for the payment of the principal amount thereof to be redeemed, premium, if any, thereon, and accrued interest, if any, thereon, and the issuance of a new Series 2002-C Warrant equaling in principal amount that portion of the principal amount not to be redeemed of the Series 2002-C Warrant to be surrendered.

Except as otherwise provided in the Sixth Supplemental Indenture, notice of redemption shall be given by mailing a copy of the redemption notice by first-class mail at least 30 days (15 days for Series 2002-C Warrants bearing interest at an Adjustable Rate) prior to the date fixed for redemption to the registered owners of the Series 2002-C Warrants to be redeemed at the addresses shown on the registration books maintained by the Trustee; provided, however, that failure to give notice to any Holder of a Series 2002-C Warrant, or any defects in such notice, shall not affect the proceedings for the redemption of the Series 2002-C Warrants for which notice has been given.

If at any time of mailing of notice of an optional redemption there shall not have been deposited with the Trustee moneys sufficient to redeem all the Series 2002-C Warrants called for redemption, such notice may state that it is conditional, that is, subject to the deposit of moneys sufficient for the redemption with the Trustee on or prior the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

Under the Indenture, the Outstanding Parity Securities and the Series 2002-C Warrants are equally and ratably secured by a pledge of certain revenues from the System that remain after the payment of the expenses of operating and maintaining the System. Upon compliance with certain conditions specified in the Indenture, the County may issue additional securities (without limitation

as to principal amount) that are secured by the Indenture on a parity with the Outstanding Parity Securities and the Series 2002-C Warrants with respect to the pledge of the aforesaid revenues from the System.

The Indenture permits the amendment of the Series 2002-C Warrants and the Indenture, and waivers of past defaults under such instruments and the consequences of such defaults, in certain circumstances without consent of Warrantholders and in other circumstances with the consent of all Warrantholders or a specified percentage of Warrantholders. Any such consent or waiver by the Holder of this warrant shall be conclusive and binding upon such Holder and upon all future Holders of this warrant and of any warrant issued in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this warrant.

The Holder of this warrant shall have no right to enforce the provisions of the Indenture, or to institute any action to enforce the covenants therein, or to take any action with respect to any default thereunder, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

As provided in the Indenture and subject to certain limitations therein set forth, this warrant is transferable on the Warrant Register maintained at the Office of the Trustee, upon surrender of this warrant for transfer at the Office of the Trustee, together with all necessary endorsements for transfer, and thereupon one or more new Series 2002-C Warrants of the same Maturity, subseries and interest rate, of any Authorized Denominations and for a like aggregate principal amount, will be issued to the designated transferee or transferees.

As provided in the Indenture and subject to certain limitations therein set forth, the Series 2002-C Warrants are exchangeable for other Series 2002-C Warrants of the same Maturity, subseries and interest rate, of any Authorized Denominations and of a like aggregate principal amount, as requested by the Holder surrendering the same.

No service charge shall be made for any transfer or exchange hereinbefore referred to, but the County may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The County and the Trustee may treat the person in whose name this warrant is registered as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this warrant is overdue, and neither the County nor the Trustee shall be affected by notice to the contrary.

No covenant or agreement contained in this warrant or the Indenture shall be deemed to be a covenant or agreement of any officer, agent or employee of the County, and neither any member of the governing body of the County nor any officer executing this warrant shall be liable personally on this warrant or be subject to any personal liability or accountability by reason of the issuance of this warrant.

Any terms used herein which are defined in the Indenture shall have the respective meanings set forth in the Indenture.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and issuance of this warrant do exist, have happened and have been performed in due time, form and manner as required by law.

Unless the certificate of authentication hereon has been executed by the Trustee by manual signature, this warrant shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the County has caused this warrant to be duly executed under its official seal.

JEFFERSON COUNTY, ALABAMA

By _____
_____ of the County Commission

ATTEST:

Minute Clerk of the County Commission

[S E A L]

CERTIFICATE OF AUTHENTICATION

This is one of the Series 2002-C Warrants referred to in the within-mentioned Indenture.

Date of authentication: _____, 2002.

THE BANK OF NEW YORK,
as Trustee

By _____
Authorized Officer

ASSIGNMENT

For value received, _____ hereby sell(s), assign(s) and transfer(s) unto _____ this warrant and hereby irrevocably constitute(s) and appoint(s) _____ attorney to transfer this warrant on the books of the within named County at the office of the within named Trustee, with full power of substitution in the premises.

Dated: _____

NOTE: The name signed to this assignment must correspond with the name of the payee written on the face of the within warrant in all respects, without alteration, enlargement or change whatsoever.

Signature Guaranteed:

(Bank or Trust Company)

By _____
(Authorized Officer)

**FORM OF SERIES 2002-C WARRANTS
IN AUCTION RATE MODE**

No. _____

UNITED STATES OF AMERICA

STATE OF ALABAMA

JEFFERSON COUNTY

SEWER REVENUE REFUNDING WARRANT

SERIES 2002-C

SUBSERIES DESIGNATION
[insert if applicable]

MATURITY DATE

February 1, 2040

DATE OF INITIAL DELIVERY

INTEREST RATE

Auction Rate

CUSIP

472682 _____

JEFFERSON COUNTY, ALABAMA, a political subdivision of the State of Alabama (the "County"), for value received, hereby acknowledges itself indebted to and orders and directs the County Treasurer of the County to pay to

or registered assigns, upon presentation and surrender hereof, solely out of the revenues hereinafter referred to, the principal sum of

DOLLARS

on the Maturity Date specified above and to pay interest hereon from the date of initial delivery of this warrant, or the most recent date to which interest has been paid or duly provided for, until the principal hereof shall become due and payable at the Auction Rate, as hereinafter provided. Series 2002-C Warrants bearing interest at an interest rate other than the Auction Rate shall be evidenced by a different warrant form containing certain terms and provisions specifically applicable to such warrants (which special terms and provisions are not contained herein).

Interest at the Auction Rate shall be computed on the basis of a 360-day year for the actual number of days elapsed.

Interest shall be payable (but solely out of the revenues hereinafter described) on overdue principal on this warrant and (to the extent legally enforceable) on any overdue installment of interest on this warrant at the rate of interest last applicable to this warrant when such overdue principal or interest became delinquent.

Interest on this warrant shall be payable in arrears on the following dates (each such date being herein called an "Interest Payment Date"): (i) for an Auction Period of 91 days or less, the Business Day immediately succeeding such Auction Period and (ii) for an Auction Period of more than 91 days, each 13th Tuesday after the first day of such Auction Period and the Business Day immediately succeeding such Auction Period.

If any Interest Payment Date is not a Business Day, the interest due on such date shall be payable on the next succeeding Business Day with the same effect as if payment was made on such Interest Payment Date.

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture hereinafter referred to, be paid to the person in whose name this warrant is registered at the close of business on the Regular Record Date for such interest, which shall be the Business Day next preceding any Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered Holder on such Regular Record Date, and shall be paid to the person in whose name this warrant is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice of such Special Record Date being given to Holders of the Series 2002-C Warrants not less than 10 days prior to such Special Record Date.

Payment of principal, premium (if applicable) and interest on this warrant and payment of the Purchase Price of this warrant due upon mandatory tender shall be made by the applicable method specified in the Indenture. All such payments shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

This warrant is one of a duly authorized issue or series of warrants authorized to be issued in the aggregate principal amount of \$839,500,000 and designated Sewer Revenue Refunding Warrants, Series 2002-C (the "Series 2002-C Warrants"). The Series 2002-C Warrants have been issued, on a parity with the Outstanding Parity Securities hereinafter referred to, under a Trust Indenture dated as of February 1, 1997 (the "Original Indenture"), between the County and The Bank of New York, Birmingham, Alabama, as Trustee (herein, in such capacity, together with its successors in trust, called the "Trustee"), as supplemented and amended by a First Supplemental Indenture dated as of March 1, 1997 (the "First Supplemental Indenture"), by a Second Supplemental Indenture dated as of March 1, 1999 (the "Second Supplemental Indenture"), by a Third Supplemental Indenture

dated as of March 1, 2001 (the "Third Supplemental Indenture"), by a Fourth Supplemental Indenture dated as of February 1, 2002 (the "Fourth Supplemental Indenture"), by a Fifth Supplemental Indenture dated as of September 1, 2002 (the "Fifth Supplemental Indenture"), and by a Sixth Supplemental Indenture dated as of October 1, 2002 (the "Sixth Supplemental Indenture"). The County has heretofore issued under the Original Indenture, as supplemented and amended by the First, Second, Third, Fourth and Fifth Supplemental Indentures, (i) \$211,040,000 principal amount of its Sewer Revenue Refunding Warrants, Series 1997-A, dated February 1, 1997, (ii) \$48,020,000 principal amount of its Taxable Sewer Revenue Refunding Warrants, Series 1997-B, dated February 1, 1997, (iii) \$52,880,000 principal amount of Taxable Sewer Revenue Refunding Warrants, Series 1997-C, dated February 15, 1997, (iv) \$296,395,000 principal amount of Sewer Revenue Warrants, Series 1997-D, dated March 1, 1997, (v) \$952,695,000 principal amount of Sewer Revenue Capital Improvement Warrants, Series 1999-A, dated March 1, 1999, (vi) \$275,000,000 principal amount of Sewer Revenue Capital Improvement Warrants, Series 2001-A, dated March 1, 2001, (vii) \$110,000,000 principal amount of Sewer Revenue Capital Improvement Warrants, Series 2002-A, dated March 6, 2002, and (viii) \$540,000,000 principal amount of Sewer Revenue Capital Improvement Warrants, Series 2002-B, dated September 1, 2002 (all of which are herein together called the "Outstanding Parity Securities"). As used herein, the term "Indenture" means the Original Indenture as supplemented and amended by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture and the Sixth Supplemental Indenture. Reference is hereby made to the Indenture for a more complete description of the rights of the owners of the Series 2002-C Warrants and of the Trustee and of the County with respect to the County's sanitary sewer system (herein called the "System") and the revenues therefrom, the terms and conditions upon which the Series 2002-C Warrants are issued, and the terms and conditions upon which any Additional Parity Securities may be issued under the Indenture. Each owner of this warrant, by the acceptance hereof, shall be deemed to assent to the provisions of the Indenture. A copy of the Indenture is on file at the Office of the Trustee.

The Trustee will serve as the initial Tender Agent under the Indenture until a successor is appointed in accordance with the terms of the Indenture.

Interest Rate Provisions

THE AUCTION PERIOD, THE AUCTION RATE, THE SELECTION OF THE METHOD OF DETERMINING THE RATE AND DATES OF PAYMENT OF INTEREST ON THE SERIES 2002-C WARRANTS BEARING THE AUCTION RATE AND THE AUCTION PROCEDURES RELATED THERETO WILL BE DETERMINED UPON THE TERMS AND CONDITIONS, INCLUDING REQUIRED NOTICES THEREOF TO THE OWNERS, DESCRIBED IN THE INDENTURE, TO WHICH PROVISIONS SPECIFIC REFERENCE IS HEREBY MADE AND ALL OF WHICH PROVISIONS ARE HEREBY SPECIFICALLY INCORPORATED HEREIN BY REFERENCE.

During any Auction Rate Period, the affected Series 2002-C Warrants shall bear interest at an Auction Rate. The initial Auction Rate for the initial Auction Period for each affected subseries of the Series 2002-C Warrants shall be as set forth in the Indenture. After the expiration of the initial Auction Period for each such subseries of Series 2002-C Warrants, each Auction Period immediately succeeding such initial Auction Period shall be a Standard Auction Period. The Auction Rate for any initial Auction Period immediately after any Change in the Interest Rate Mode to an Auction Rate for an Auction Rate Period, shall be the rate of interest per annum certified to the Trustee by the Remarketing Agent on a date not later than the effective date of such Change in the Interest Rate Mode as the minimum rate of interest which, in the opinion of the Remarketing Agent, would be necessary as of such date to market Auction Rate Bonds in a secondary market transaction at a price equal to the principal amount thereof. For any other Auction Period, the Auction Rate shall be the rate of interest per annum that results from implementation of the Auction Procedures. The Auction Procedures are set forth in Article III of the Sixth Supplemental Indenture.

Series 2002-C Warrants may also bear interest to but not including the Fixed Rate Conversion Date at one of the following interest rates (each, an "Adjustable Rate") at the times and in the manner set forth in the Indenture: a Commercial Paper Rate, a Daily Rate, a Weekly Rate or a Term Rate.

Conversion of Interest Rate Modes

Prior to the Fixed Rate Conversion Date, all or any portion of Series 2002-C Warrants shall cease to bear interest at the Adjustable Rate then borne by such warrants and shall bear interest at such different Adjustable Rate as shall be specified by the County, or, if so specified by the County, the interest rate applicable to all Series 2002-C Warrants may be converted to a Fixed Rate specified in accordance with the terms and subject to the conditions set forth in the Sixth Supplemental Indenture.

If any condition to the establishment of a different Adjustable Rate or Rates is not met on any date, then the mandatory tender that is scheduled to occur in connection with such conversion shall not take place, and this Series 2002-C Warrant shall continue to bear interest at the Adjustable Rate then borne by this Series 2002-C Warrant and be subject to all provisions of the Indenture applicable thereto while this Series 2002-C Warrant bears interest at such Adjustable Rate.

Fixed Rate

On a Fixed Rate Conversion Date, the affected Series 2002-C Warrants shall cease to bear interest at the Adjustable Rate then borne by such Series 2002-C Warrants and shall bear interest at the Fixed Rate until maturity, upon the election by the County, to exercise its Option to Convert (as defined in the Sixth Supplemental Indenture). The Fixed Rate means the rate of interest per annum established and certified to the Trustee by the Remarketing Agent no later than 12:00 noon (New York City time) on and as of the Fixed Rate Conversion Date as the minimum rate of interest per annum which, in the opinion of the Remarketing Agent, would be necessary on and as of such date to remarket the affected Series 2002-C Warrants in a secondary market transaction at a price equal

to the principal amount thereof, not to exceed 12% per annum. The Fixed Rate shall be established in accordance with the terms and subject to the conditions set forth in the Sixth Supplemental Indenture. Anything in the Indenture to the contrary notwithstanding, in no event shall the interest rate borne by any Series 2002-C Warrant exceed the maximum rate allowable by applicable law.

If any condition to the establishment of the Fixed Rate is not met on the proposed Fixed Rate Conversion Date, the mandatory tender that is scheduled to occur in connection with such conversion shall not take place, and this Series 2002-C Warrant shall continue to bear interest at the Adjustable Rate then borne by this warrant and be subject to the provisions of the Indenture applicable while this Series 2002-C Warrant bears interest at such Adjustable Rate.

If Series 2002-C Warrants begin to bear interest at the Fixed Rate as provided above, the interest rate on such Series 2002-C Warrants may not thereafter be changed to an Adjustable Rate.

Mandatory Tenders

Change in the Interest Rate Mode. Upon a Change in the Interest Rate Mode (including, without limitation, a change to the Fixed Rate on the Fixed Rate Conversion Date), the Series 2002-C Warrants shall be subject to mandatory tender for purchase in accordance with the Sixth Supplemental Indenture on the effective date of such Change in the Interest Rate Mode, at a price equal to the principal amount thereof.

General Tender Provisions

If interest has been paid on the Series 2002-C Warrants, or an amount sufficient to pay interest thereon has been deposited in the Debt Service Fund, or an amount sufficient to pay accrued interest thereon, if any, has been set aside in the Warrant Purchase Fund and the purchase price equal to the principal of, and premium, if any, on the Series 2002-C Warrants shall be available in the Warrant Purchase Fund for payment of Series 2002-C Warrants subject to tender for purchase pursuant to the Sixth Supplemental Indenture, and if a registered owner fails to deliver or does not properly deliver the Series 2002-C Warrants to the Tender Agent for which a Notice of Election to Tender has been properly filed or which are subject to mandatory tender for purchase on the purchase date therefor, such Series 2002-C Warrants shall nevertheless be deemed tendered and purchased on the date established for the purchase thereof, interest on such Series 2002-C Warrants shall cease to be payable to the former registered owners thereof from and after the date of purchase and such former registered owners shall have no rights under the Indenture as the registered owners of such Series 2002-C Warrants, except the right to receive the purchase price of and interest to the purchase date, if any, on such Series 2002-C Warrants upon delivery thereof to the Tender Agent in accordance with the provisions of the Sixth Supplemental Indenture. The payment of Series 2002-C Warrants tendered upon the election of the registered owner shall be subject to delivery of such Series 2002-C Warrants duly endorsed in blank for transfer or accompanied by an instrument of transfer thereof in form satisfactory to the Tender Agent executed in blank for transfer at the principal office of the Tender Agent at or prior to 11:30 a.m. for Series 2002-C Warrants bearing interest at a Weekly

Rate and 12:00 noon for Series 2002-C Warrants bearing interest at a Daily Rate (New York City time), on a specified purchase date. The Tender Agent may refuse to make payment with respect to any Series 2002-C Warrants tendered for purchase pursuant to the Sixth Supplemental Indenture not endorsed in blank or for which an instrument of transfer satisfactory to the Tender Agent has not been provided.

Redemption

In the manner and with the effect provided in the Indenture, the Series 2002-C Warrants will be subject to redemption prior to Maturity as follows:

Optional Redemption. For any Auction Rate Period, the affected Series 2002-C Warrants shall be subject to redemption at the option of the County on the Business Day immediately preceding each Auction Date, as a whole or in part, at the principal amount thereof, plus accrued interest, if any, to the date fixed for redemption.

Scheduled Mandatory Redemption. The Series 2002-C Warrants shall be redeemed at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest thereon to the redemption date, on February 1 (or, in the case of Auction Rate Warrants, if any such February 1 is not an Interest Payment Date, then on the first Interest Payment Date subsequent thereto) in years and principal amounts (after credit as provided below) as follows:

| <u>Year</u> | <u>Amount</u> | <u>Year</u> | <u>Amount</u> |
|-------------|---------------|-------------|---------------|
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| 2023 | 32,100,000 | | |

\$70,350,000 of the Series 2002-C Warrants
will be retired at Maturity

Not less than 60 days prior to each such scheduled mandatory redemption date, the County may specify the particular subseries from which Series 2002-C Warrants are to be called for such redemption and (if more than one subseries is so specified) the respective principal amounts to be called for redemption from each thereof. In any such case, the particular Series 2002-C Warrants (or portions thereof) within a given subseries to be called for redemption shall be selected by the Trustee by lot. If the County fails to make such a specification with respect to any scheduled mandatory redemption date, not less than 45 or more than 60 days prior to each such scheduled mandatory redemption date, the Trustee shall proceed to select for redemption, as provided in Section 5.6 hereof, Series 2002-C Warrants or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such Series 2002-C Warrants or portions thereof for redemption on such scheduled mandatory redemption date. In any event the County may, upon direction delivered to the Trustee not less than 60 days prior to such scheduled mandatory redemption date, direct that any or all of the following amounts be credited against the principal amount of Series 2002-C Warrants scheduled for redemption on such date: (i) the principal amount of Series 2002-C Warrants delivered by the County to the Trustee for cancellation and not previously claimed as a credit, and (ii) the principal amount of Series 2002-C Warrants previously redeemed (other than Series 2002-C Warrants redeemed pursuant to this paragraph) and not previously claimed as a credit.

Procedure for Redemption. In the event any of the Series 2002-C Warrants are called for redemption, the Trustee shall give notice of the redemption of such warrants, which notice shall specify the full title, including the subseries, if any, of the Series 2002-C Warrants, the redemption date, the place of redemption and the redemption price payable upon such redemption; that the interest on the Series 2002-C Warrants, or on the principal amount thereof to be redeemed, shall cease to accrue from and after such redemption date; and that on such date there will become due and payable on the Series 2002-C Warrants, the principal amount thereof to be redeemed and the interest accrued on such principal amount to the redemption date, if any, and the premium, if any, thereon. Each notice of redemption mailed to the Holder of a Series 2002-C Warrant to be redeemed shall, if less than the entire principal amount thereof is to be redeemed, also state the principal amount thereof and the distinctive numbers of the Series 2002-C Warrants to be redeemed and that such warrant must be surrendered to the Trustee in exchange for the payment of the principal amount thereof to be redeemed, premium, if any, thereon, and accrued interest, if any, thereon, and the issuance of a new Series 2002-C Warrant equaling in principal amount that portion of the principal amount not to be redeemed of the Series 2002-C Warrant to be surrendered.

Except as otherwise provided in the Sixth Supplemental Indenture, notice of redemption shall be given by mailing a copy of the redemption notice by first-class mail at least 30 days (15 days for Series 2002-C Warrants bearing interest at an Adjustable Rate) prior to the date fixed for redemption to the registered owners of the Series 2002-C Warrants to be redeemed at the addresses shown on the registration books maintained by the Trustee; provided, however, that failure to give notice to any Holder of a Series 2002-C Warrant, or any defects in such notice, shall not affect the proceedings for the redemption of the Series 2002-C Warrants for which notice has been given.

If at any time of mailing of notice of an optional redemption there shall not have been deposited with the Trustee moneys sufficient to redeem all the Series 2002-C Warrants called for redemption, such notice may state that it is conditional, that is, subject to the deposit of moneys sufficient for the redemption with the Trustee on or prior the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

Under the Indenture, the Outstanding Parity Securities and the Series 2002-C Warrants are equally and ratably secured by a pledge of certain revenues from the System that remain after the payment of the expenses of operating and maintaining the System. Upon compliance with certain conditions specified in the Indenture, the County may issue additional securities (without limitation as to principal amount) that are secured by the Indenture on a parity with the Outstanding Parity Securities and the Series 2002-C Warrants with respect to the pledge of the aforesaid revenues from the System.

The Indenture permits the amendment of the Series 2002-C Warrants and the Indenture, and waivers of past defaults under such instruments and the consequences of such defaults, in certain circumstances without consent of Warrantholders and in other circumstances with the consent of all Warrantholders or a specified percentage of Warrantholders. Any such consent or waiver by the Holder of this warrant shall be conclusive and binding upon such Holder and upon all future Holders.

of this warrant and of any warrant issued in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this warrant.

The Holder of this warrant shall have no right to enforce the provisions of the Indenture, or to institute any action to enforce the covenants therein, or to take any action with respect to any default thereunder, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

As provided in the Indenture and subject to certain limitations therein set forth, this warrant is transferable on the Warrant Register maintained at the Office of the Trustee, upon surrender of this warrant for transfer at the Office of the Trustee, together with all necessary endorsements for transfer, and thereupon one or more new Series 2002-C Warrants of the same Maturity, subseries and interest rate, of any Authorized Denominations and for a like aggregate principal amount, will be issued to the designated transferee or transferees.

As provided in the Indenture and subject to certain limitations therein set forth, the Series 2002-C Warrants are exchangeable for other Series 2002-C Warrants of the same Maturity, subseries and interest rate, of any Authorized Denominations and of a like aggregate principal amount, as requested by the Holder surrendering the same.

No service charge shall be made for any transfer or exchange hereinbefore referred to, but the County may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The County and the Trustee may treat the person in whose name this warrant is registered as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this warrant is overdue, and neither the County nor the Trustee shall be affected by notice to the contrary.

No covenant or agreement contained in this warrant or the Indenture shall be deemed to be a covenant or agreement of any officer, agent or employee of the County, and neither any member of the governing body of the County nor any officer executing this warrant shall be liable personally on this warrant or be subject to any personal liability or accountability by reason of the issuance of this warrant.

Any terms used herein which are defined in the Indenture shall have the respective meanings set forth in the Indenture.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and issuance of this warrant do exist, have happened and have been performed in due time, form and manner as required by law.

Unless the certificate of authentication hereon has been executed by the Trustee by manual signature, this warrant shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the County has caused this warrant to be duly executed under its official seal.

JEFFERSON COUNTY, ALABAMA

By _____
_____ of the County Commission

ATTEST:

Minute Clerk of the County Commission

[SEAL]

CERTIFICATE OF AUTHENTICATION

This is one of the Series 2002-C Warrants referred to in the within-mentioned Indenture.

Date of authentication: _____, 2002.

THE BANK OF NEW YORK,
as Trustee.

By _____
Authorized Officer

ASSIGNMENT

For value received, _____ hereby sell(s), assign(s) and transfer(s) unto _____ this warrant and hereby irrevocably constitute(s) and appoint(s) _____ attorney to transfer this warrant on the books of the within named County at the office of the within named Trustee, with full power of substitution in the premises.

Dated: _____

NOTE: The name signed to this assignment must correspond with the name of the payee written on the face of the within warrant in all respects, without alteration, enlargement or change whatsoever.

Signature Guaranteed:

(Bank or Trust Company)

By _____
(Authorized Officer)

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